

The Treasury

Budget 2011 Information Release

Release Document

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Key to sections of the Official Information Act 1982 under which information has been withheld.

Certain information in this document has been withheld under one or more of the following sections of the Official Information Act, as applicable:

- [1] 9(2)(a) - to protect the privacy of natural persons, including deceased people
- [2] 9(2)(f)(iv) - to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials
- [3] 9(2)(g)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions
- [4] 9(2)(b)(ii) - to protect the commercial position of the person who supplied the information or who is the subject of the information
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- [6] 9(2)(j) - to enable the Crown to negotiate without disadvantage or prejudice
- [7] 6(a) - to prevent prejudice to the security or defence of New Zealand or the international relations of the government
- [8] 9(2)(h) - to maintain legal professional privilege
- [9] 6(c) - to prevent prejudice to the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial
- [10] 9(2)(d) - to avoid prejudice to the substantial economic interests of New Zealand
- [11] 9(2)(i) - to enable the Crown to carry out commercial activities without disadvantage or prejudice.

Where information has been withheld, a numbered reference to the applicable section of the Official Information Act has been made, as listed above. For example, an [8] appearing where information has been withheld in a release document refers to section 9(2)(h).

In preparing this Information Release, the Treasury has considered the public interest considerations in section 9(1) of the Official Information Act.



Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Budget 2011: Vote Economic Development

On 11 April 2011, Cabinet:

- 1 **approved** the Budget initiatives for the above Vote for inclusion in the 2011 Budget package, as listed in the summary below and detailed in the attached initiative documents;

Summary of initiatives included in the attached initiative documents:

Operating Initiatives (Impact on Operating Balance)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
6793	Infrastructure Funding within Vote Economic Development	-	(0.848)	(0.848)	(0.848)	(0.848)
6795	Reprioritisation to Assist with Other Programmes within the Vote	(6.600)	-	-	-	-
6797	International Media Hosting and Showcases - Support and Logistics	0.250	0.750	-	-	-
6800	Procurement Reform Agenda – Acceleration of Programme	-	0.600	-	-	-
6801	Square Kilometre Array – Transfer from International Growth Fund	-	1.250	1.250	1.250	1.250
6802	International Funds Domicile – Rephrasing (Fiscally Neutral)	(1.500)	0.600	0.900	-	-
6809	Savings Returned to the Crown	(5.057)	-	-	-	-
Total Operating		(12.907)	2.352	1.302	0.402	0.402

- 2 **approved** the changes to appropriations and/or projected balances of net assets of the administering department (where applicable) to implement the initiatives, as set out in the attached initiative documents;
- 3 **approved** the additional recommendations to give effect to the initiatives, as set out in the attached initiative documents;

- 4 **agreed** that the changes to appropriations above be included in the 2010/11 Supplementary Estimates;
- 5 **authorised** the Minister of Finance and the Vote Minister to approve jointly any technical adjustments to baselines necessary to remove any errors or inconsistencies identified while finalising the 2010/11 Supplementary Estimates, the 2011/12 Estimates and the fiscal forecasts;
- 6 **authorised** the chief executives of departments that monitor Crown entities directly affected by decisions in this minute to inform the chair and/or chief executive of a Crown entity, on a budget-in-confidence-until-budget-day basis, of decisions that directly affect that Crown entity for the purpose of planning and preparation of their Statement of Intent;
- 7 **noted** that all communications relating to the 2011 Budget are co-ordinated by a Budget communications committee, and that any requests for early announcement will need to have both the written approval of the Minister of Finance and sign-off from the Prime Minister's office.

Secretary of the Cabinet

Reference: CAB (11) 187; CAB (11) 190

Vote: Economic Development

Title: Infrastructure Funding within Vote Economic Development

Description: Transfer of Infrastructure funding to assist with the infrastructure programmes (Ultra-Fast and Rural Broadband) in Vote Communications

Appropriation Changes

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Operating Balance Impact	-	(0.848)	(0.848)	(0.848)	(0.848)
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	(0.848)	(0.848)	(0.848)	(0.848)

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Departmental Output Expenses:					
Policy Advice and Sector Leadership - Firm Capability, Sectoral and Regional Development (funded by revenue Crown)	-	(0.848)	(0.848)	(0.848)	(0.848)
Total Operating	-	(0.848)	(0.848)	(0.848)	(0.848)
Total Capital	-	-	-	-	-

Initiative No: 6795

Vote: Economic Development

Title: Reprioritisation to Assist with Other Programmes within the Vote

Description: Reprioritisation to assist fiscal pressures encountered in the Rugby World Cup Leverage and Legacy, the Procurement Reform Agenda, and the Square Kilometre Array programmes.

Appropriation Changes

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Operating Balance Impact	(6.600)	-	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	(6.600)	-	-	-	-

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Non-Departmental Output Expense:					
New Zealand's Participation at Expo 2010 Shanghai, China (MYA)	(0.600)	-	-	-	-
Non-Departmental Other Expenses:					
International Biotechnology Partnerships	(1.000)	-	-	-	-
International Growth Fund	(5.000)	-	-	-	-
Total Operating	(6.600)	-	-	-	-
Total Capital	-	-	-	-	-

Additional recommendation

8 **noted** that the amounts shown in the appropriations changes table for the New Zealand's Participation at Expo 2010 Shanghai, China Multi-year Appropriation (MYA) is the change to the indicative annual spending profile;

Initiative No: 6797

Vote: Economic Development

Title: International Media Hosting and Showcases - Support and Logistics

Description: Transfer from the International Biotechnology Partnerships to fund Rugby World Cup Leverage and Legacy programmes, to assist with the international media hosting and showcasing of the Rugby World Cup.

Appropriation Changes

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Operating Balance Impact	0.250	0.750	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	0.250	0.750	-	-	-

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Non-Departmental Other Expense:					
Rugby World Cup Leverage and Legacy Programmes (MYA)	0.250	0.750	-	-	-
Total Operating	0.250	0.750	-	-	-
Total Capital	-	-	-	-	-

Additional recommendation

- 9 **noted** that the amounts shown in the appropriations changes table for the Rugby World Cup Leverage and Legacy Programmes MYA is the change to the indicative annual spending profile;

Initiative No: 6800

Vote: Economic Development

Title: Procurement Reform Agenda – Acceleration of Programme

Description: Transfer of funding from the Shanghai Expo 2010 to Policy Advice and Sector Leadership to assist with the Procurement Reform Agenda.

Appropriation Changes

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Operating Balance Impact	-	0.600	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	0.600	-	-	-

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Departmental Output Expense:					
Policy Advice and Sector Leadership - Firm Capability, Sectoral and Regional Development (funded by revenue Crown)	-	0.600	-	-	-
Total Operating	-	0.600	-	-	-
Total Capital	-	-	-	-	-

Initiative No: 6801

Vote: Economic Development

Title: Square Kilometre Array – Transfer from International Growth Fund

Description: Transfer of funds from the International Growth Fund to support the Square Kilometre Array project.

Appropriation Changes

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Operating Balance Impact	-	1.250	1.250	1.250	1.250
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	1.250	1.250	1.250	1.250

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Non-Departmental Other Expenses:					
Square Kilometre Array	-	1.250	1.250	1.250	1.250
Total Operating	-	1.250	1.250	1.250	1.250
Total Capital	-	-	-	-	-

Initiative No: 6802**Vote:** Economic Development**Title:** International Funds Domicile – Rephasing (Fiscally Neutral)**Description:** Fiscally neutral rephase of the Transformational Initiatives Fund from 2010/11 to 2011/12 and 2012/13.**Appropriation Changes**

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Operating Balance Impact	(1.500)	0.600	0.900	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	(1.500)	0.600	0.900	-	-

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Non-Departmental Other Expenses:					
Transformational Initiatives Fund (MYA)	(1.500)	0.600	0.900	-	-
Total Operating	(1.500)	0.600	0.900	-	-
Total Capital	-	-	-	-	-

Additional recommendation

10 **noted** that the amounts shown in the appropriations changes table for the Transformational Initiatives Fund MYA is the change to the indicative annual spending profile;

Initiative No: 6809

Vote: Economic Development

Title: Savings Returned to the Crown

Description: Savings are being identified and returned to the Crown from the annual appropriation for International Growth Fund, the International Biotechnology Partnerships Fund and the Shanghai Expo 2010.

Appropriation Changes

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Operating Balance Impact	(5.057)	-	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	(5.057)	-	-	-	-

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Non-Departmental Output Expenses:					
New Zealand's Participation at Expo 2010 Shanghai, China (MYA)	(2.000)	-	-	-	-
Non-Departmental Other Expenses:					
International Biotechnology Partnerships	(0.100)	-	-	-	-
International Growth Fund	(2.957)	-	-	-	-
Total Operating	(5.057)	-	-	-	-
Total Capital	-	-	-	-	-

Additional recommendation

11 **noted** that the amounts shown in the appropriations changes table for the New Zealand's Participation at Expo 2010 Shanghai, China MYA is the change to the indicative annual spending profile.